

SENATE BILL 2798

By Rochelle

AN ACT to amend Tennessee Code Annotated, Title 56, Chapter 7, relative to mental health services and benefits.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 23, is amended by adding Section 2 of this act as a new, appropriately designated section.

SECTION 2. (a)(1) In accordance with the phase-in schedule set out in subdivision (2), an employee health benefit plan, or a health plan issuer offering a group health plan of an individual health plan shall provide coverage for mental health services that has the same rates and terms as the coverage provided for all medical and surgical conditions.

(2) By July 1, 1999, coverage for mental health services shall be at least fifty percent (50%) of the rates and terms of the coverage provided for all medical and surgical conditions;

By July 1, 2000, such coverage shall be at least seventy-five percent (75%) of such rates and terms; and

By July 1, 2001, such coverage shall be equal to such rates and terms.

(b) Nothing in subsection (a) shall be construed as prohibiting an employee health benefit plan, or a plan issuer offering a group health plan from the utilization of managed care practices for the delivery of these benefits.

(c) For the purposes of this section "rates and terms" means any lifetime or annual payment limits, deductibles, co-payments, coinsurance and any other cost sharing

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requirements, out-of-pocket limits, visit limits and any other financial component of health insurance coverage that affects the insured.

(d) The commissioner of commerce and insurance is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 3. Tennessee Code Annotated, Section 56-7-2601, is amended by deleting the section in its entirety.

SECTION 4. This act shall take effect July 1, 1998, the public welfare requiring it, and shall apply to all health benefit plans or health insurance policies to which this act applies entered into, issued or renewed on or after such date.